

To: Donohue, Steve[Steve.Donohue@Foth.com]
Cc: 'Andrew Boushy (aboushy@aquilaresources.com)'[aboushy@aquilaresources.com]; Baran, Kris K[Kris.Baran@Foth.com]; Forrest, Janet E[Janet.Forrest@foth.com]; Maki, Joe (DEQ)[MAKIJ3@michigan.gov]; Humphrey, Melanie (DEQ)[HUMPHREYM@michigan.gov]; Casey, Steve (DEQ)[CASEYS@michigan.gov]; Burdick, Melanie[Burdick.Melanie@epa.gov]; Okeefe, Colleen (DEQ)[OKEEFEC@michigan.gov]; Wilson, Kristina (DEQ)[WilsonK17@michigan.gov]
From: Pennala, Virginia (DEQ)
Sent: Thur 7/7/2016 7:29:37 PM
Subject: RE: Aquila Resources - Wetland Permit Application Extension

Hi Steve, as a follow up to our telephone meeting yesterday here is the information needed for re-public noticing of the application for the proposed Back 40 Mine development:

- There are wetlands and stream(s) which previously were not identified as regulated located within the currently proposed development footprint. The amount of stream impact needs to be determined and documented. You have also now confirmed that there is a regulated wetland located in the NE corner of the proposed development site, which would be impacted under the current proposed footprint.

- You have indicated that the proposed development footprint will be revised to avoid direct impact to the referenced wetland, and that monitoring for hydrology impacts on the wetland will be included in the revised application to determine if pit dewatering or other activities at the site are affecting the hydrology of the referenced wetland. Please include a plan to address hydrology impacts in the event that monitoring indicates a concern that the wetland hydrology will be impacted.

- Stream mitigation will be required as well, meaning that a stream mitigation plan to replace the lost functions of the impacted stream must be included in the revised application package.

- The proposed preservation area for wetland mitigation is partially acceptable, but there are areas that are significantly disturbed, as well as impacted by invasive species. These areas will be acceptable as mitigation via wetland restoration at a 2:1 ratio. This means the mitigation plan will need to be revised both for wetland and stream impacts. Fortunately, there is also an opportunity for stream restoration in the proposed preservation area that could potentially be used as stream mitigation, which is referenced above.

Please let me know if you have any questions regarding the requested information, and kindly indicate the approximate time frame you anticipate for submittal of this information. Thanks.

Ginny Pennala

DEQ, UP District Office

WRD

Water Resources Unit District Supervisor

1504 W. Washington St.

Marquette, MI 49855

Please note new phone number effective Oct. 19, 2015:

906-250-6176

From: Donohue, Steve [mailto:Steve.Donohue@Foth.com]

Sent: Wednesday, July 06, 2016 2:38 PM

To: Pennala, Virginia (DEQ)

Cc: 'Andrew Boushy (aboushy@aquilaresources.com)'; Baran, Kris K; Forrest, Janet E

Subject: Aquila Resources - Wetland Permit Application Extension

Hello Ginny,

Per discussions with the MDEQ and Andrew Boushy of Aquila Resources regarding the pending deadline on the Wetland Permit Application, Aquila Resources agrees to and is requesting that the MDEQ extend the deadline for the issuance of the Wetlands Permit for the Back Forty Project by 90 days.

Please contact Andrew Boushy or myself if you have any questions.

Also please confirm receipt of this email.

Best regards,

Steve

Stephen V. Donohue, PH

Vice President - Mining

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